

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 6/18/2013	(3) CONTACT/PHONE John McKenzie, Senior Planner/805-781-5452	
(4) SUBJECT Submittal of a Contract Amendment #02 (Clerk's File) with Marine Resource Specialists in the amount of \$1,947,741, to continue Mitigation Monitoring for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project. District 4			
(5) RECOMMENDED ACTION It is recommended that the Board of Supervisors approve and sign the Monitoring Contract Amendment #02 (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to continue conducting Mitigation Monitoring work for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project (D890558D).			
(6) FUNDING SOURCE(S) Applicant	(7) CURRENT YEAR FINANCIAL IMPACT \$1,947,741.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  19001286		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: Original contract approved 4/12/11 3 month extension to original contract 3/26/13	
(17) ADMINISTRATIVE OFFICE REVIEW  Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) District 4 -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building/John McKenzie, Senior Planner

VIA Ellen Carroll, Environmental Coordinator

DATE: 6/18/2013

SUBJECT: Submittal of a Contract Amendment #02 (Clerk's File) with Marine Resource Specialists in the amount of \$1,947,741, to continue Mitigation Monitoring for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project. District 4

## **RECOMMENDATION**

It is recommended that the Board of Supervisors approve and sign the Monitoring Contract Amendment #02 (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to continue conducting Mitigation Monitoring work for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project (D890558D).

## **DISCUSSION**

The Remediation site occupies over 2,700 acres with more than 80 different locations found to be contaminated with diluent (petroleum hydrocarbon used to help thin heavy crude oil for transport), a hazardous fluid that posed an ecological threat to sensitive marine and terrestrial biological resources and the underlying groundwater basin. Since the initial observation of diluent leaks in the late 1980's, 40 of the 80 identified source plumes have been excavated and cleaned up, involving more than one million yards of contaminated soils being processed/ removed. More than 150 miles of pipeline have been removed (see Attachment C for additional details).

The contract amendment with MRS would provide for continuation of mitigation monitoring services associated with the remediation of the Guadalupe Oil Field. On March 26, 2013 your Board approved a three month contract extension to the existing two-year contract. This extended the monitoring work into July which allowed staff and the applicant time to finalize the contract being considered today.

MRS has been monitoring the site, on the County's behalf, for the last eight years. They have also been acting as the monitor on behalf of six additional permitting agencies, as specified in the original permit's conditions of approval. Over this time, MRS has developed: a comprehensive understanding of each agency's issues; a good working relationship with each of these agencies; and an efficient reporting and monitoring program for the ongoing remedial efforts. Based on these factors, retaining MRS would avoid costly and time-consuming training of a different monitoring team, as well as minimize the inefficiencies that would otherwise be expected during this retraining period.

All agencies were contacted on the performance of MRS and unanimously agreed that MRS was doing an excellent job, and that their technical expertise and knowledge of the operation was important to keep the multi-agency, remedial effort running smoothly. Chevron, the Applicant, was also contacted and agreed with the agencies' assessments of MRS performance and the importance of retaining their services.

It is important to note that the County administers the contract. The scope of work provides monitoring services for the County, as well as the following agencies: Coastal Commission, Regional Water Quality Control Board, CA Department of Fish and Wildlife, U.S. Fish and Wildlife Service, County Air Pollution Control District, and the U.S. Army Corps of Engineers, all of whom participate on the Multiple Agency Coordination Committee (MACC). The MACC works cooperatively with Chevron to ensure compliance and successful site clean-up.

This contract amendment is consistent with county contracting procedures.

#### **OTHER AGENCY INVOLVEMENT**

County Counsel reviewed the Contract as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

The applicant (Chevron) will fund the required monitoring work. The proposed total of \$1,947,741 would cover the cost of the proposed scope of work (not to exceed \$1,693,688), as well as provide for a contingency fund (not to exceed \$254,053). Staff costs will be recovered through an administrative processing fee.

#### **RESULTS**

By approving the contract amendment with MRS, the County will continue its oversight with a designated mitigation monitor for remedial work at the Guadalupe Oil Field. The conditions of approval for the Guadalupe Development Plan and Coastal Development Permit specify that a monitor must be under County contract and providing mitigation monitoring services in order for Chevron to undertake remediation projects at each stage of the clean-up.

The continued monitoring efforts will ensure Condition compliance of this large and complex remedial project. This is consistent with the County-wide goals of providing a well-governed and livable community.

#### **ATTACHMENTS**

Attachment A - Location Map

Attachment B - MRS Contract (Clerk's File)

Attachment C - History/Summary of Remediation Efforts at the Guad site